



# ECONOMIC INTERVENTION AND WOMEN MICRO ENTREPRENEURSHIP: A CASE STUDY OF NAVODHAYA

Satish Kumar<sup>1</sup> | Dr. H. G. Joshi<sup>2</sup>

<sup>1</sup> Assistant Professor(Sr. Scale), Department of Commerce, Manipal University, Manipal.

<sup>2</sup> Professor & Research Guide, School of Management, Manipal University, Manipal.

## 1. INTRODUCTION

The economic contribution of women to the economy is becoming an important research discussion in the developing economy. Demographic transition and young population of the country become important challenges to policy segment. Focused women empowerment approach through financial intervention by the self-help groups created new dimension in the rural India. Financial inclusion efforts of the government empowered self-groups with easy access to financial services and credit availability at lower cost. Increased training and skill development efforts by the promoters further increased opportunities and rights to rural women. The present research study is based on the primary investigation from the field, which can be an insight and inspiration to promote further investigation and strategies for the development of women entrepreneurship in rural India.

### 1.1 Women Entrepreneurship in Rural India:

Entrepreneurial attitude and skill among rural women has been discussed with several hurdles and challenges in India. Promotion of these qualities and creation of conducive environment become part of the inclusive policy of the government. Changing socio economic status of rural women has promoted institutional intervention in the early 90's. Further it has been supported by the several non-governmental organizations. Success of grameen bank model encouraged microfinance institutions to gear with new and innovative financial products and services to the rural women community. Entrepreneurial skills and economic empowerment made complementary to each other. Feminized agriculture approach increased women work force participation in the primary sector and created forward linkage affect to other sectors in the economy. Indian rural segment has major influence on consumption pattern and GDP of the country. Women being designer of family consumption and spending pattern further invented avenues for better living standard in the rural areas. This role of rural women has changed the economic perception about the participation and income generation format of the villages.

Enhanced consumption and spending pattern of the family routed women into entrepreneurial attitudes and skill building in India. Pre liberalized approaches focused much on income generation activities through mass approach. This has improved the overall status of the family and reflected in improved socio and political status of rural women in India. Post liberalized era reduced the emphasis on agriculture and improved for manufacturing and agro industries segments in the economy. This has created sectoral shift in the rural economy and reduced dependency on agriculture. At this level financial exclusion has been identified. Further, change in the demographic set up in the country forced to create new opportunities and rights to the rural women. Financial inclusion movement in the country opened new business propositions to microfinance institutions. There are number of promoters' explored untapped rural segment through self-help group which in turn focused on individual household approach through training and development. The easy access and low cost capital availability encouraged women participants to undertake new agro related business activities and capacity building concept.

In this context promotion of training and development programmes enhanced marketability and profitability of the new class of marginal women entrepreneurs. Success of few women participants promoted demonstration effect among fellow women participants and created peer pressure to undertake new or improvement of existing resource utilization and income generation activities among women community.

### 1.2 Self Help Groups in India:

Self-help group is a method of organizing the poor people and the marginalized to come together to solve their individual problems. Early success of grameen bank model inspired several micro finance organization to develop the individual network to the mass campaign and promoted several micro financial products and services to group participants. This is supported by government and non-governmental organizations. Effective sharing of economic benefits to the needy and marginalized classes is achieved through this individual focused approach.

Rural women participants are motivated to participate and contribute to the movement and created a new class of women folk who can take economic decision at their household level and achieve family sustainability.

Sustained intervention of the self-help groups impacted on attitudes and skill formation among women participants. This made woman can independently generate economic resources for production activities and consumption at family level. This shift moved women from mass approach to person approach for their development. Promotion of training and developmental efforts by the promoters improved the marketability and profitability of the new class of rural women entrepreneurs.

## 2. OBJECTIVES OF THE RESEARCH STUDY

- To understand the role of self-help groups in development of entrepreneurial attitude among rural women in research area.
- To know the factors which are affecting the entrepreneurial activities among rural women.
- To identify the factors which will facilitate the process of entrepreneurship through self-help groups among rural women.

## 3. RESEARCH METHODOLOGY:

This research study involves both primary data and secondary data analysis. Structures questionnaire is prepared and administered to self-help group members. Statistical tools like average and other methods used to analyses the data and interpretation. This study is only to evaluate the economic empowerment of women up to certain extent. This research study is only pertaining to Karnataka region and may lead to further research scope for generalization.

## 4. RESEARCH CASE: NAVODHAYA

Navodaya Self Help Group project has been set up under the auspices of SCDDC Bank Ltd, Mangalore in 29th January 2000 with the far reaching vision of Sri M. N. Rajendra Kumar, at Sural of Karkal Taluk, with the main objective of empowerment of Rural poor for their Socio Economic Development to make them able and capable by developing them Socio Economically. At present the NGVCT has formed 27,618 consisting 2,80,508 members in 5 districts viz. D.K, Udupi, Dharwad, Uttar Kannad & Shimoga Districts. Out of them 72% are women members actively participating in its developmental activities. The total savings of the groups is approximately 100 crores.

### Objectives

- Formation of SHG for the socio- economic, development and cultural programmes for the development of rural people.
- Training the rural unemployed youth, especially the women to make them self-reliant.
- Formation of training centers for the self-employment.
- Organizing unemployed youths and encouraging them to take up self-employment.
- Formation of self help groups in rural areas state wide and developing their economic, social and culture status through appropriate programmes.
- In order to provide over all health protection to the Navodaya Self Help Group members. Introducing Chaitanya Health Insurance Scheme.
- Conducting awareness programme on the availability of economic and other help from various women's development programmes for the self employment.
- Personality development programme.

- To conduct free Health checkup camps for health care of the rural poor.
- To help the financially poor patients suffering from cancer, cardiac disease, kidney failure etc.
- Opening of Educational institution to impart good and higher education for the children of rural poor.
- To promote and preserve art and culture and to specially encourage their own immense folk heritage.
- Awareness and training to preserve and protect the herbal plants of great medicinal value.
- To promote self employment opportunities and encourage skill training with a view to tap alternative source of income.

#### Types of Training Programmes organized by NGVCT for Self Help Group Members:

1. Rural Entrepreneurship Development programme (REDP) Consisting

- Agriculture & Allied Activity
- Dairy farming
- Bee Keeping
- Horticulture
- Mushroom cultivation
- Dress Designing
- Agarbathi Manufacturing
- Screen Printing
- Varmi culture

#### Programmes for self help groups

- Consists of basic orientation to members for formation of group. Maintains of books of accounts, credit management, capacity Building, skill to carry out group member etc. These programs are provided at the doorsteps of the members of SHG's.

#### 5. RESEARCH ANALYSIS:

The current research has been conducted various villages of belthangady taluk where NAVODHAYA charitable trust promoted groups and each groups had average 20 women members and each village groups become units and it has got total 11 units and one federation in taluk level. Each member has to contribute monthly minimum of forty rupees as their compulsory saving and more than that is optional. Every week group members will meet each other in a meeting and which is organized by the members and had to maintain records and accounts. Each group has got its own account in a nationalized bank and operated and managed by the members only. Each member has got a provision of forty thousand loan with three years repayment. Loan can be repaid before the tenure. Each loan will yield minimum profit to the group and only. Federation loan will also provide with little higher rate of interest. Apart from this, group members were trained for several self-employment programmes which is organized by the NAVODHAYA Trust.

**5.1. Demographic Profile:** Present research sample size is 100 and they are the members of the self-help group from last years and belongs to different age and educational category. These members are selected randomly and their profile is as follows:

**Table 1: Age wise classification of women SHG members.**

Age wise Classification	No. of respondent
Below 25	8
25-35	20
35-45	44
45-55	16
Above 55	12
Total	100

The majority of the women members belongs to the age of 35 to 45 which shows the role and responsibility of women in the middle age. Which further verified from the beneficiaries that social norms are much liberal during this age and they are allowed to participate in these kind of activities. But some of the women members made their female daughters to participate in the groups.

**Table 2: Education wise classification of SHG members**

Education wise classification	No of respondent
Illiterate	15
Primary	19
High School	47
12th std	19
Total	100

Education profile of the respondents from the Table No.2, reflects mixed combinations. The majority of the respondent are having high school education and rest will be with primary, above matriculation and illiterates.

VIMUKTHI has supported women to form their own self-help groups and encouraged and initiated the various entrepreneurial activities like, floriculture, bee keeping, dairying, agriculture, pottery, micro business activities. Trust has conducted several training and workshops to self-help groups and facilitated the credit availability and banking services to women members. Trust has created awareness among self-help group members about the government programmes. This intervention through self-help group has been changed the income generation activities among rural women and prepared them into micro entrepreneurs. Following table will explain the impact of self-group on level of income of the women participants.

#### 5.2 Training and Entrepreneurial attitudes:

Entrepreneurial attitude and skill formation is one of the important factors which empowers women economically and results into asset creation and formation of social capital in the economy. VIMUKTHI has conducted several training programmes related to self-employment avenues, banking, new business startups, legal and social awareness etc. It has tried involve most of their self-help group members in workshops, demonstrations and experiential learnings. Following are the trainings conducted by the promoters:

- Bee keeping
- Dairying
- Floriculture
- Horticulture
- Micro Business setups
- Pottery etc.

Vimukthi has trained more than two thousand women for various self-employment programmes. Women members has actively participated and more than twenty percent women has established their own agro and non-agro business activities and improved their standard of living. VIMUKTHI also trained children's of women members for their self-employment opportunities. Following are the self-establishment started by the group members because of the SHG intervention.

**Table 3: List of Business Setups**

Economic Activity	No of Establishments
Dairying	45
Bee Keeping	22
Floriculture	8
Micro Business	9
Agriculture	13
Catering	3

From the research sample it is proved that after joining SHG women members had a exposure to various economic activities and demonstration which has changed the attitude and skill level among women members. This shift in attitude is measured as follows:

**Table 4: Scores of Entrepreneurial attitudes**

Statements	Agree	Disagree	No opinion
Self-confidence increased	89	4	7
Communication skill increased	90	6	4
Ability to deal with others improved	86	3	11
Capacity to take decisions increased	85	2	13
Ability to manage the risk increased	77	13	10
Marketing skill increased	84	8	8
Courage to visit banks or other offices attained	90	5	5
Capacity to make financial dealings attained	89	3	8
Courage to express opinion in group attained	85	5	10
Business startup knowledge attained	82	6	12

After the intervention by the SHG majority of the women members experienced shift in their traits and that led to skill formation. From the above table it is very much evident that women participants moved fairly favorable with the shift in qualities which are essential for development of entrepreneurship. Further added to it, VIMUKTHI has trained the family members of the women participants for various self-employment opportunities and able to create sound family backups.

**5.3. Intervention and Economic Empowerment of Women:** Economic empowerment of women is measured through some of the indicators and one of

them are change in the level of income of the individual or family. In this research study beneficiaries are selected are those 6 and more than years older in the groups and they have undergone several intervention impact by the promoter. After the access to the credit and training beneficiaries are started or improved existing economic activities and their income generation activities. This has yielded several shift in the individual beneficiaries financial conditions and improved their standard of living of their family. This has become chain process and demonstrate effect on several other groups. Even SHG federation also provided loans and training for their units and this improved credit facility to the group members. Loan recovery and savings proportions are considerably improved and which further enhanced credit availability and profitability of the each individual self-help groups. Further added to it these members further motivated their family members to support in their business activities and able to create employment opportunities to their family and friends. This shift in income level has been captured in the below table.

**Table 5: Impact on level of Income**

Monthly Income	Before joining SHG	After joining SHG
Below 2000	43	0
2000-5000	26	30
5000-10000	13	41
10000-15000	12	22
above 15000	6	7
Total	100	100

Empowerment can be measured through several economic indicators and one of them are shift in the level of income. In this research before and after change is measured and other determinants on this is minimized. Above table reveals progressive improvement in the level of income of the group members and more beneficiaries are able to enhance their income and expenditure pattern. This is due to credit availability, training and demonstration effect by the group on individual. Capital formation of the country depends on the savings behavior of the country. Group members has mobilized their own savings and created funds for the group. In this research case also witnessed progressive savings trend after the SHG intervention. This prompted psychological and economic security to the women and converted into invest opportunities. Every member has to save weekly minimum of forty and more than that was optional. But it is observed that each member has increased their savings level. As the group promoted more savings proportionately credit facility of the group has been increased. It is further supported by the NABARD and other financial institutions.

**Table 6: Impact on Savings:**

Monthly Savings	Before joining SHG	After joining SHG
Below 50	80	53
50-100	20	34
100-500	0	13
Total	100	100

**6. CONCLUSION:** Women entrepreneurship considered one of the important change maker in rural India. Self Help groups become channel for sustainable empowerment of women in India. The current study positively emphasized financial intervention by the SHG has affected the women members attitude and skills and easy access for the banking services empowered them with new income generation activities and transformation in their socio economic life. Effective training and development efforts of the promoters may be identified has the catalyst for the process of empowerment.

#### REFERENCES:

1. Satish Kumar, H.G.Joshi (2015), "Economic Empowerment of Women through Self Help Groups in India: An Empirical study from Belthangady Taluk, Karnataka", International Journal of Social Sciences & Interdisciplinary Research, Vol.4 No.3, July-September.
2. [www.capuchinvimukti.com/about\\_the\\_trust.html](http://www.capuchinvimukti.com/about_the_trust.html)